

25 August 2017

Dear Shareholder,

On behalf of the Board of directors, I am pleased to advise that Precinct Properties New Zealand Limited (Precinct) has confirmed an offer of up to \$150 million of subordinated convertible notes ("Notes"), convertible into ordinary shares of Precinct ("Shares").

The offer consists of:

- a Priority Offer of up to \$25 million of Notes to eligible New Zealand resident Precinct retail shareholders; and
- a General Offer of up to \$100 million (with the ability to accept oversubscriptions of up to \$25 million at Precinct's discretion) of Notes to investors resident in New Zealand and certain overseas institutional investors.

The interest rate will be set on 4 September 2017 and will be announced on the NZX. In addition to the interest payments, at maturity, investors in the Notes will receive a minimum value of approximately \$1.02 for every \$1.00 invested (and a potentially higher amount depending on the Share price at the time of Conversion). The Notes are expected to be quoted on the NZX Main Board.

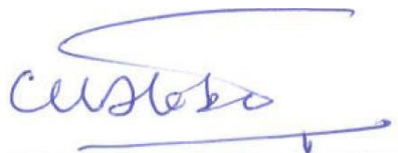
The offer is expected to open on 5 September 2017 where eligible shareholders may apply for Notes on our website www.precinctnotesoffer.co.nz.

The Priority Offer is expected to close at 5pm on 19 September 2017 while the General Offer is expected to close on 22 September 2017.

Further details of the offer are contained in the Product Disclosure Statement (PDS) which has been lodged with the Registrar of Financial Service Providers. The PDS is also available for view on our website www.precinctnotesoffer.co.nz, or by contacting a Joint Lead Manager or our registrar Computershare Investor Services Limited on 09 488 8777.

We encourage you to read the PDS and to seek financial, investment or other professional advice from a qualified professional advisor when considering the offer.

Regards



Craig Stobo
Chairman
Precinct Properties New Zealand Limited